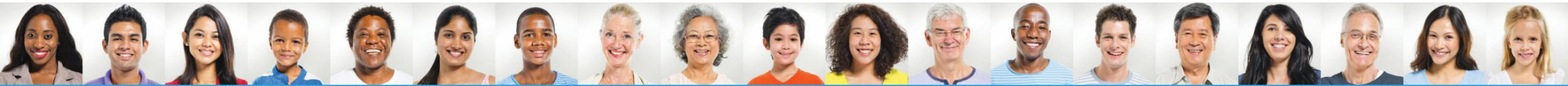




## **Expiring Enhanced Tax Credits, New Marketplace Rule, Law**

**Fighting the Harm**  
**July 22, 2025**



*Dedicated to creating a nation where the best health and  
health care are equally accessible and affordable to all*

# September! Best time to extend tax credits

Tell Congress Now!

People need to see affordable rates Nov 1!

This is a tax credit. Tax credits have bipartisan support.

Reducing/cutting the credit will especially harm:

- Small businesses and self-employed workers
- Rural residents
- 50-64 year olds, who otherwise face the highest premiums – without it, their out-of-pocket premiums will increase by 75%
- State economies

Without it, millions of people will lose access to care

# Rate increases already show the effect of expiring tax credits

## Highlights for the First Week of August, when posted on [ratereview.gov](https://ratereview.gov)

- Insurers anticipate fewer enrollments, and healthier people will forego the cost of insurance.
- KFF says so far, premiums are increasing by a median of 15% in the marketplace across states and insurers, but more than ¼ are requesting increases of 20% or more.
- Insurers say that 4%, 7% or 9.7% is due to expiring tax credits
- Proposed average increases as high as 26% (Arkansas) and 28% (Colorado). In a few plans, proposed rate increases are higher than 35%.
- Funding loss also affects state reinsurance programs
- Consumers are also affected by our nation's failure to address provider and drug pricing
- <https://familiesusa.org/resources/actions-by-trump-and-congress-are-leading-to-skyrocketing-insurance-premiums-in-2026/>

# Regulations: Two Lawsuits Would Block Them

Amici would be helpful

- State of California et al v. Kennedy et al. (CA, MA, NJ, AZ, CO, CT, DE, IL, ME, MD, MI, MN, NM, NV, NY, OR, PA, RI, VT, WA, WI)
- City of Columbus et al v. Kennedy et al. (Columbus OH, Baltimore, Chicago, Doctors for America, Main Street Alliance)

See <https://litigationtracker.law.georgetown.edu/issues/affordable-care-act/>

# Timeline for regulations (black) and law (red)

August 2025

- No more than 90 days to document a decrease in income that entitles person to higher APTC
- No PTC for income-based special enrollment – now in regulation; law in 26 (71304)
- DACA not eligible for marketplace or Basic Health Plans

# Timeline for Regulations (black) Law (red)

Effective for 26 plan year – some state discretion for SBEs or in state law \*\*

- Formula lowers plan value over time, increases cost-sharing and premiums
- Can deny coverage for failure to pay past due premiums, and first premium of new year can be attributed to past debt\*\*
- No coverage of sex-trait modification as essential benefit (\*\*but state laws could mandate coverage another way)
- No automatic switch from bronze to silver plans at the same or lower cost
- Need to verify that income increased above 100% of poverty, if not yet shown in IRS data
- Generally, can't accept attestation of income from a new job or family change
- No APTC if failed to reconcile for one year or more – Also now in law (71303)
- \$5 premium for first coverage month, even if owe \$0\*\*
- Increased verification for special enrollment
- No PTC for lawfully present immigrants ineligible for Medicaid (71302)
- No limits on pay back of premium tax credits if misestimated annual income (71305)
- Any bronze or catastrophic marketplace plan can be paired with HSA (71307)

# Timeline for regulations (black) and law (red)

Effective 27 plan year; \*some discretion in SBMs

- Annual open enrollment no longer than 9 weeks - \*
- No premium tax credits for immigrants other than permanent residents, Cuban and Haitian entrants, and residents of the Federated States of Micronesia and the Republic of the Marshall Islanders. Employer responsibility for coverage of other immigrants ends. (71301)

Effective 2028

- Increased verification for PTC (71303)

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[FamiliesUSA.org](http://FamiliesUSA.org)